

## 2000 — Building a Firm Foundation for the Future

### IPSC

**IGF Generation Records** — The Intermountain Generating Station started out on a record production pace in 2000. January 2000 was the highest gross generation of all time at 1,285,314 MW hours (surpassing the December 1997 mark of 1,284,692 MW hours).

**Truck Coal Deliveries** — Trucks hauling coal are to deliver 275,000 tons to the plant in the last quarter of the year. The coal trucks started delivering at IGF October 1, 2000. To date, the coal has all come from ARCH and has arrived from the Skyline mine. Cox Transport is hauling from Skyline and is expected to continue hauling through the end of the year. Coal from Skyline comes by way of Spanish Fork through Nephi.



Barney Trucking and Robinson Transport have also been hauling from the Deer Creek mine which is the mine located near the Huntington Power Plant. Coal from Deer Creek is coming by way of Salina-Scipio-Holden.

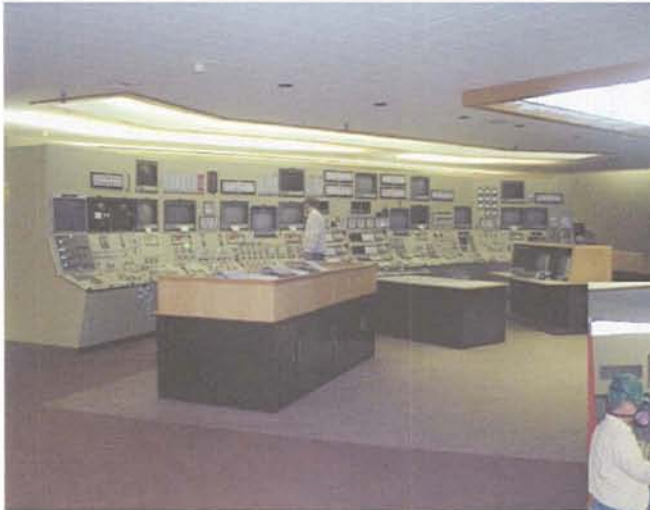
**Production Incentive Program** — IPSC employees earned 93.4 percent of targeted goals for an award of 4.67 percent of their annual base wage.

This is the fourth year in a row the award was over 90 percent of the

available incentive goal.

**Y2K Status** — Because of planning and lots of preparation work, the Y2K rollover was for the most part uneventful. Systems continued to operate through the critical period. Designated personnel were on site the evening of December 31, 1999, in the event that problems were to occur.

Early in January, several Y2K related problems were discovered. The medical log in the clinic would not function after the rollover. The database was rewritten. The payroll direct deposit would not communicate with the banks. This system was rewritten. The Converter Station Data Acquisition System had a minor glitch which was resolved and the Turbine Pedestal Monitoring System which uses similar software as the Converter Station also had a minor problem which has been resolved.



**Disassembly and Removal of the Training Simulator —**  
The plant simulator was removed from the Administration Building during January 2000. Obsolete computer components made it impossible to keep the system functioning and a complete system upgrade was cost prohibitive.

**National Board "R" Stamp Program and Owner-User Inspection Program —** IPSC secured certification from the National Board as an authorized "R" Stamp holder. This certification, coupled with certification as an Owner-User Inspection Organization allows IPSC to repair, alter, and inspect all ASME Code boilers, pressure vessels, and power piping at IGF.



The expertise to conduct repairs to pressure parts has been available within IPSC from the beginning of the project. However, the new programs provide better guidelines to the craftsmen for making these repairs and requires better documentation and tracking of all aspects of a repair job. The IPSC Maintenance Department has recently created a new classification for mechanics who have the skills to perform as "high-pressure welders." This new classification required all existing welders to be retested and recertified to prove they meet the stringent requirements of IPSC's written program.

IPSC Engineering Services has taken on the responsibility to act as Quality Assurance for all repairs or alterations performed at IGF. These responsibilities include engineering design, material specification, procedure specification, materials receiving inspections, hydro-static testing, and Quality Assurance at the job site of each repair. The responsibility for documenting each repair and reporting to state authorities rests on Engineering Services.

To accomplish this increased scope, personnel have received additional training and certification as National Board Inspectors, Certified Weld Inspectors, and Level II NDE certification in dye penetrant and magnetic particle testing procedures.

In addition to acceptance inspection of Code repairs and alterations, the IPSC Owner User Inspector saves thousands of dollars each year by inspecting boilers and pressure vessels on site and securing the necessary operating permits. Without this service, IPSC would have to contract with state inspectors to perform these duties.

The ability to respond to an equipment break down is critical in the daily operation of a power plant. The new "R" Stamp Program allows IPSC to properly respond to a planned outage and an emergency. When an emergency does occur, the down time or the amount of time that electricity is not being produced is kept to a minimum by being able to have our employees respond immediately. The financial reward for having such a program is the high level of availability and reliability that results in a positive cash flow for the project.

**Radian Fertilizer Project Evaluation- Pet Coke Test Burn** — A Phase II second test burn started May 15, 2000, with a two week baseline test. The 20 percent pet coke blend was burned in Unit 1 for approximately two and a half weeks. The main purpose of this test was to document the level of nitrous oxide and sulphur dioxide emissions while using pet coke as a fuel.

**Scrubber Module Corrosion and Cladding Project (Status)** — The scrubber cladding project began on March 15, 2000. With the completion of Unit 2 "F" module, on November 12, we passed the halfway mark on our schedule. In slightly less than eight months almost 2200 square feet of corroded steel has been replaced. This has included an almost total rebuild of the inlet area on several of the modules. After repairing the substrate steel, the latest welding technology was used to weld in place more than 8100 square feet of 1/16" thick, high nickel alloy (Hastelloy C-2000) plates. In doing so, the welders have laid down more than two miles of Hastelloy weld seams and every seam has been vacuum tested for leaks.



**Workplace Safety Award** — On June 19, 2000, IPSC received recognition from the Utah Labor Commission for "Excellence in Safety Programs." A plaque was awarded to IPSC for its workplace safety programs. IPSC was selected as the recipient in the Self-Insured Employer category. This was based on documented workplace safety policies and procedures, staffing, ratio of claims to payroll, and ratio of claims to employer. This award reflects the effort of each employee and is one that they can and should take credit for.

**Corporate Safety Recognition Award** — On August 13, 2000, IPSC achieved one full year of work without a lost-time injury. Each employee received a long sleeved denim shirt for doing their part.



**Staywell Program Improvements** — The Staywell Program received a face lift in the year 2000. With the dismantling and removal of the simulator, IPSC made the decision to move the exercise and weight equipment. It was moved from its location in the Community Center into the simulator room in the Administration Building. The goal is to provide easier 24-hour access to employees. Thus allowing employees to take full advantage of flex-time options, before and after work periods, and ease during break and lunch times in using the equipment. Included in this area is a video aerobics room, where classes can be taught or videos viewed to perform different exercise programs. There is a resource center located at the west end of the Center where employees may read or take pamphlets, as well as other health and wellness literature made available by various organizations such as the American Cancer Society and American Heart Association, etc. This change also included relocating the Health Analyst into the room next to the Staywell Center so employees have better access to health and fitness services.



**Number of Employees** — By the end of the year, the number of employees was 468.

## LADWP

Department of Water and Power's 2000 Integrated Resources Plan — In August, the Los Angeles City Council approved the Department of Water and Power's 2000 Integrated Resources Plan, a sweeping 10-year expansion program. The plan calls for a \$1.7 Billion investment to finance 2,900 megawatts (MW) of repowered in-basin power generation including new renewable sources of energy and demand side management. The plan focuses on improving reliability, lowering prices to customers and addressing environmental concerns.

## IPA

IPA Student Achievement Awards — During mid-May of each year, IPSC awards (for IPA) eight high school student achievement scholarships at eight different area high schools. This is a \$500 cash award to be applied toward college expenses.

**Financing** — June 30, 2000, the current weighted average borrowing cost is 5.38 percent.